



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

PD-ABN-284
"THIS IS A PRIMARY OBLIGATING DOCUMENT THAT IS NOT
PURSUANT TO A HANDBOOK 3 PROJECT AGREEMENT" 91664

September 25, 1996

Ms. Ann-Lis Svensson
Representative
United Nations Children's Fund
Parque Meliton Porras 350
LIMA 18

Subject: Grant No. 527-0384-G-00-6424-00

Dear Ms. Svensson:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the United States Agency for International Development (hereinafter referred to as "USAID") hereby grants to the United Nations Children's Fund (hereinafter referred to as "UNICEF"), the sum of \$314,000 to provide support to UNICEF in its efforts to test the Transit to Primary Model in selected areas of Peru, as described in the Schedule of this Grant and in Attachment 2, entitled "Program Description."

This Grant is effective and obligation is made as of the date of this letter and shall apply to expenditures made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending March 31, 1998.

This Grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1 (the Schedule); Attachment 2 (the Program Description); and Attachment 3 (the Standard Provisions), all of which have been agreed to by your organization.

Please sign the original and all enclosed copies of this letter to acknowledge your receipt of the Grant, and return the original and all but one copy to me.

Sincerely yours,

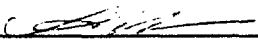
Joseph F. Lombardo
Joseph F. Lombardo
Grant Officer

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

ACKNOWLEDGED:

UNITED NATIONS CHILDREN'S FUND

By: 

Title: UNICEF Representative in Peru

Date: 25 September 1996

FISCAL DATA

Appropriation:	726/71021
Budget Plan Code:	LDV6-96-25527-KG13
PIO/T No.:	527-0384-3-60060
Project No.:	527-0384
Total Estimated Amount:	\$314,000
Total Obligated Amount:	\$314,000
Paying Office:	USAID/Peru

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SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to improve the learning conditions in 1,600 selected first and second grade classes in selected poverty areas in Peru, as more specifically described in Attachment 2 (the Program Description) of this Grant.

B. Period of Grant

The effective date of this Grant is the date of the Cover Letter. The expiration date of this Grant is March 31, 1998.

C. Amount of Grant and Payment

1. USAID hereby obligates the amount of \$314,000 for purposes of this Grant.
2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 (the Standard Provisions).

D. Grant Budget

The following is the Grant Budget. Revisions to this Budget shall be made in accordance with the Standard Provisions of this Grant entitled "Revision of Grant Budget."

E. Reporting Requirements

1. Quarterly Progress Report

UNICEF shall submit two (2) copies in English and a version on diskette (Word Perfect 5.2) of quarterly performance reports. The form and content will be approved by the designated USAID Health officer.

2. Final Report

Prior to the completion date of the Grant, UNICEF will submit two (2) copies and a version on diskette (Word Perfect 5.2) of a final report which will include accomplishments and recommendations for future activities. This report must have the approval of the USAID Health Officer.

ILLUSTRATIVE ACTIVITY BUDGET (US\$)*

Item	USAID	Government of Canada	Japan Committee	UNICEF Core Funds	Totals
1. Technical Assistance	0	108,000	26,000	0	134,000
1. Training	36,000	43,500	10,000	0	89,500
a. Elementary education specialists	12,000				
b. Workshops on basic education conditions	24,000				
2. Materials	229,000	213,000	50,000	0	492,000
a. Teachers' manuals	5,000				
b. Basic classroom supplies	123,000				
c. Classroom libraries	101,000				
3. Supervision and Monitoring	14,000	65,000	16,000	0	95,000
a. Distribution, promoting use of materials	7,000				
b. Internal reporting and data interpretation	4,000				
c. Mutual monitoring	3,000				
4. UNICEF's Technical, Logistical Support**	35,000	5,500	5,000	172,000	217,500
TOTAL	314,000	435,000	107,000	172,000	1,028,000

*This budget is purely illustrative in that the USAID contribution is not tied to any specific line items. Amounts for non-USAID contributions are estimated US\$ equivalents of amounts in other currencies. The GoP is also providing salaries for 2,000 teachers, at a cost estimated at \$3,600,000, basic classroom equipment for 1,600 classrooms, valued at approximately \$1,200,000, in addition to school buildings.

** Includes 3% indirect costs retained by UNICEF home office.

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3. UNICEF shall submit two copies of each of the above reports, Quarterly and Final, required by this Grant to the Bureau for Policy and Program Coordination, Center for Development Information and Evaluation, Development Experience Information Division (PPC/CDIE/DI). All documents should be mailed to:

PPC/CDIE/DI
ACQUISITION
Room 209 SA-18
Agency for International Development
Washington, D.C. 20523

F. Special Provisions

1. The following Standard Provisions apply to this Grant: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, and 12 Payment, Letter of Credit, as are indicated in the Checklist in Attachment 3.

2. The following clauses on Audit and Records apply to this Grant:

It is agreed that the Grantee will furnish the U.S. Government with a final report on activities carried out under this Grant, including accounting for these funds in sufficient detail to enable USAID to liquidate the Grant. The report should be submitted to the U.S. Mission at the U.N. in New York for forwarding to the USAID program office.

It is understood that financial records, including documentation to support entries on accounting records and to substantive charges against the Grant, shall be maintained in accordance with the Grantee's usual accounting procedures, which shall follow generally accepted accounting practices. All such financial records shall be maintained for at least three years after the final disbursement of funds under this Grant.

The Grantee confirms that the Grant account will be audited in accordance with established procedures under appropriate provisions of the financial regulations and rules of the United Nations.

Any funds disbursed by USAID, but not committed by the Grantee prior to the expiration date shall be refunded to USAID. Funds not used for the purpose of this Grant shall be refunded to USAID by the Grantee.

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PROGRAM DESCRIPTION

A. Background

Educational coverage in Peru is officially universal, with registration rates above 100 percent of the reported population of the age group for the early grades. This important social demand for education, however, masks the poor quality of educational services. In the ten provinces of Peru with the fewest resources for education, there are substantial differences between enrollments of boys and girls. One of three children fails the first grade, and one in five fails the second grade. More than 91 percent of the education budget is devoted to salaries. Classrooms lack educational materials; teachers are inadequately trained; remote schools are not supervised.

In recent decades, most GoP investment in education has been directed at infrastructure. New classrooms have been built during the present Government at an impressive rate. However, they are ill-equipped; the teachers are badly trained; and the curricula are out of date and highly inappropriate to the reality of the provinces and peri-urban areas of Lima. Multilateral loans to improve the quality of primary education are appearing on the horizon, but there is still no technical proposal to achieve this improvement. The merit of municipalization of education in Peru is being discussed, although it faces the risk of being identified with the loss of free schools.

The Peru-UNICEF Cooperation Program for 1992-1996 developed the Transit to Primary Project (UNICEF's Project Number YE903-E02-02). Its purpose is to contribute to reducing school failure, especially in the first grades of elementary school. The program design draws on the lessons learned worldwide from improvements in the quality of education. It studied successful experiences, identified a group of critical measures to improve the level of learning achievement, set up a network of pilot schools, and provided assistance to the central normative organs of the MoE. UNICEF expects to obtain at least a 10 percent improvement in promotion rates as a result of this program.

UNICEF's Transit to Primary network of pilot schools currently operates in Lima, in Chorrillos and San Martín de Porres Districts, and through the Andean Program of Struggle against Poverty (PROANDES), which works in selected provinces of Cusco, Cajamarca, and Apurímac. The concept of a network of schools promises to improve management in the educational system.

The most significant lesson learned thus far from the Project has been the identification of a group of measures, which, when applied together as a package, virtually guarantee success in improving educational quality. These measures are: 1) simplifying curricula and ordering their priorities; 2) training teachers to vary the proportion of time devoted to different teaching-learning strategies; 3) providing adequate basic education materials; 4) encouraging meetings with parents to sensitize and commit them to become involved in their children's education; 5) organizing teachers' groups to periodically share their successes and difficulties; and 6) carrying out monthly supervision.

B. Activity Implementation and Institutional Responsibilities

1. UNICEF

UNICEF will assume overall responsibility of the following components:

- a. Administration of Grant funds.
- b. Technical Support, coordination, monitoring and evaluation of the following activities:
 - 1) Training
 - Training of 80 specialists responsible for the supervision, distribution and use of the materials and for identification of results indicators in selected poverty areas.
 - Training of 2,000 first- and second-grade teachers who will be responsible for learning and managing classrooms.
 - 2) Materials
 - Publishing and distribution of 4,000 teachers manuals.
 - Purchase and distribution of basic educational materials to 1,600 classes.
 - Purchase and distribution of basic reading materials in 1,600 class libraries.
 - 3) Promotion and Monitoring
 - Distribution and promotion of the use of educational materials by teachers in the selected areas.
 - Internal reporting and interpretation of data.
 - 80-120 groups of teachers given refresher courses to relearn best practices and methods.
 - Technical assistance, administrative support and field visits to share progress and obstacles to the application of the program innovations.

c. Expected Result

The expected result from this activity will be an improvement in pupil achievement of no less than 20 percent, to be measured by objective entry and exit tests. This activity will be carried out in 1,600 classrooms in selected poverty areas of Peru. Over a longer term than is contemplated for this activity, it is expected that promotion rates in the same activity area classes will improve by no less than 10 percent and that that increase may be attributed directly to this activity. The **goal** is to improve substantially educational quality in these areas. The **purpose** is to demonstrate the results from and the potential for replication of the methodology employed. This supports the Ministry of Education's (MoE) efforts to improve educational quality throughout, Peru, especially in the early grades.

2. USAID

USAID will provide financing in an amount not to exceed \$314,000 in support of the aforementioned activities within the terms of this Grant. The Office of Health, Population and Nutrition will assume overall responsibility for project management within USAID/Peru.

To assist in the implementation of this agreement, USAID from time to time will issue implementation letters furnishing additional information on requirements regarding matters stated in this Grant. Such letters shall not modify the terms of the Grant.

3. Other Contributions

The principal partners will be UNICEF, as the implementing agency, which will provide approximately \$714,000 of additional funds for this activity. This amount includes approximately \$172,000 from UNICEF's own general resources, approximately \$435,000 from a donation by the Government of Canada, and approximately \$107,000 from a donation by the Japan Committee.

The Peruvian Ministry of Education provides the classrooms, basic educational equipment, teachers' salaries, and policy supervision. Specialized institutions that also contribute technical or other support, include the Educational Forum (*Foro Educativo*), the Catholic University, and the National Pedagogical Institute of Monterrico. Additionally, the Peruvian Institute for the Teaching of Science is providing materials for the teaching of mathematics and Aymara language materials; the Antoon Spinoy Foundation is providing technical assistance in work with Chanka Quechua; the José María Arguedas Center in Cusco provides technical assistance for work with Qosqo Quechua; ERA, with financial support from the Swedish agency Rädde Barnen, produces materials in Qosqo Quechua; and the Bilingual Pedagogical Institute of Loreto is providing materials for Asháninka, Chayahuita, Shipibo, and Aguaruna children.

STANDARD PROVISIONS

The following Standard Provisions for Public International Organizations in effect as of the effective date of this Grant are incorporated herein by reference with full force and effect as though fully set forth herein:

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|-----|---------------------------------|-----------------|
| 1. | Allowable Costs | (July 1988) |
| 2. | Refunds | (July 1988) |
| 3. | Revision of Grant Budget | (July 1988) |
| 4. | Termination Procedures | (July 1988) |
| 5. | U.S. Officials not to Benefit | (July 1988) |
| 6. | Investment Promotion | (January 1994) |
| 7. | Nonliability | (July 1988) |
| 8. | Amendment | (July 1988) |
| 9. | Notices | (July 1988) |
| 10. | Publications and Media Releases | (February 1994) |
| 12. | Payment (Letter of Credit) | (February 1994) |